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No. 102

# Supreme Court of the United States

OCTOBER TERM, 1934.

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SAMUEL B. SMITH,

*Petitioner,*

*vs.*

E. H. SNOW AND E. H. SNOW DOING BUSINESS AS SNOW'S HATCHERIES AND SNOW'S INCUBATOR COMPANY,

*Respondents.*

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## PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE EIGHTH CIRCUIT AND BRIEF IN SUPPORT THEREOF.

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## PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES CIRCUIT COURT OF APPEALS FOR THE EIGHTH CIRCUIT.

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To the Honorable the Chief Justice and Associate Justices of the Supreme Court of the United States:

Your petitioner, Samuel B. Smith, respectfully prays that a writ of certiorari issue to the United States Circuit Court of Appeals for the Eighth Circuit to review a decision and decree of that Court entered April 14, 1934 (R. 991), rehearing denied May 5, 1934 (R. 1005). A transcript of the record in the case, including the proceedings in said Circuit Court of Appeals is furnished herewith in accordance with Rule 38 of this Court.

## I. SUMMARY AND SHORT STATEMENT OF MATTER INVOLVED.

### A. Parties and Subject-Matter.

This is a patent infringement suit brought below in equity for infringement of United States Letters-Patent No. 1,262,860 for Improvements in Incubators (R. 425). The application therefor was filed by your petitioner, Samuel B. Smith, and the patent was granted to his assignee, The Buckeye Incubator Company, under which your petitioner Smith was a licensee. Later petitioner reacquired the patent and The Buckeye Incubator Company became the licensee.

This suit was brought by petitioner Smith against E. H. Snow and E. H. Snow doing business as Snow's Hatcheries and Snow's Incubator Company. Respondent Snow resides at Sleepy Eye, Minnesota, and operates a number of hatcheries in Minnesota and adjoining states in which he uses incubators involving the process of incubation of the Smith patent.

### B. Decisions Herein Below.

The United States District Court for the District of Minnesota in this case held the patent valid and infringed (R. 20) while the Circuit Court of Appeals for the Eighth Circuit reversed the decree below and held the patent valid but not infringed (R. 984).

C. CITATION PRIOR CONFLICTING DECISIONS OF OTHER CIRCUIT COURTS OF APPEALS.

The decision of the Circuit Court of Appeals for the Eighth Circuit is in direct opposition to those of the Circuit Courts of Appeals for the Ninth, Third and Sixth Circuits upon the scope of claim 1 of the Smith patent. The construction and mode of operation of the devices used by the defendants in the Eighth and Ninth Circuits were substantially identical and the decisions of these two Circuits are irreconcilable. They represent two divergent views as to the true scope of claim 1 of the patent. The opinion of the Eighth Circuit is contained in the record filed herein (R. 984), and the decision in the Ninth Circuit in *Waxham vs. Smith, et al.,* is reprinted as an appendix to the brief accompanying this petition.

The case in the Third Circuit in which the identical question here involved was also involved, and in which the holding was in conformity to that of the Ninth Circuit, and adverse to that in the Eighth Circuit, was *Buckeye Incubator Company, et al., vs. Hillpot,* reported at 24 F. (2) 341. The cases in the Sixth Circuit constitute an earlier holding in the case of *Buckeye Incubator Co. vs. Petersime* (19 F. (2) 721), in which the decision was the same as the Eighth Circuit, and a later case, *Buckeye Incubator Co. vs. Blum* (27 F. (2) 333), in which, in a *per curiam* decision, the Sixth Circuit receded from its former holding and expressed a view conforming to the views of the Ninth Circuit.

There is, therefore, a distinct diversity of opinion between different Circuits such as justifies the granting of this petition. The Eighth Circuit stands alone upon the question here involved. The Ninth, Third and Sixth Circuits are

in harmony with one another and in disagreement with the Eighth Circuit.

Believing that the Eighth Circuit is wrong in its conclusions upon the scope of claim 1 of the patent in suit, and that the other Circuits named are right, your petitioner brings this petition, for determination of the single question upon which there is divergence of opinion, *i. e.*, the scope of claim 1. The specific point at issue will be more fully explained below.

## D. Brief History of Prolonged Litigation of Smith Patent.

The patent in suit (R. 425) was filed October 26, 1916, and was issued April 16, 1918. It relates to a new and revolutionary process of incubation which has been widely copied by many infringers in all parts of the country. The importance of the patent is shown by the widespread litigation growing out of the patent. The process first perfected by Smith has been so sensational in its character and effect that it has given rise to extensive copying, and the owners of the patent have been required to bring numerous suits to enforce their rights. This litigation has extended over the entire lifetime of the patent. These incubators have a capacity of twenty-five to fifty thousand eggs.

In every litigation in which the patent has been involved Courts of Appeals of the various Circuits have held the patent valid. They have differed upon the scope to be given to the patent, some Courts conceiving of broad and some of narrow interpretations of the patent.

Claim 1 of the patent is the broadest and has been in every litigation. Only the decisions of the Circuit Courts of Appeals will be referred to below.

The cases in the Courts of Appeals are as follows:

*Wolf vs. Buckeye Incubator Co.*, 296 F. 680 (C. C. A. 6).

Patent held valid and infringed as to all the claims.

*Buckeye Incubator Co. vs. Cooley*, 17 F. (2) 453 (C. C. A. 3).

All of the claims held valid and infringed.

*Buckeye Incubator Co. vs. Petersime*, 19 F. (2) 721 (C. C. A. 6).

Claims 1, 2 and 3 held valid but not infringed.

*Buckeye Incubator Co. vs. Hillpot*, 24 F. (2) 341 (C. C. A. 3).

Claims 1 and 2 in suit held valid but not infringed upon different grounds than those presented here.

*Buckeye Incubator Co. v. Blum*, 27 F. (2) 333 (C. C. A. 6).

Claims 1 and 2 in suit held valid but not infringed upon different grounds than those involved here.

*Miller Hatcheries, Inc., vs. Buckeye*, 41 F. (2) 619 (C. C. A. 8).

All claims held valid and infringed.

*Buckeye vs. Boling*, 46 F. (2) 965 (C. C. A. 6).

A case involving the doctrine of *res adjudicata*. Question of infringement here involved not decided but left "to be determined by the courts in which the cases are pending."

*Waxham vs. Smith*, unreported (C. C. A. 9).

Claim 1 found valid and infringed.

*Snow, et al., vs. Smith* (the instant case) (C. C. A. 8).

Claim 1 found valid but not infringed.

As stated above, the last two cases are in direct opposition upon the same question, and the Waxham case is in agreement with the holdings in the ~~Cooley~~ Hillpot case and also the opin-

ion in the Blum case, though in opposition to the previous ruling of the same Court (Sixth Circuit) in the Petersime case.

In addition to the above, the decision of Judge Cavanah of the District Court of Idaho (not appealed from) in the case of *Smith vs. Jensma* (1 Fed. Sup. 999), a case growing out of the Boling litigation, held with the prevailing view as expressed in the Blum and Waxham cases.

The decision of the District Court in the instant case was also in accordance with the prevailing doctrine but was reversed.

E. Specific Question Presented.

The irreconcilable conflict of judicial opinion, as reflected in the differing holdings upon the scope of claim 1, makes it essential that this Court rule upon the question presented, namely:

> **"Does an infringer avoid claim 1 of the patent by arranging the eggs in a different order, or by omitting the shifting of the eggs during the first 18 days of incubation?"**

The patent in suit is directed to a method and apparatus for the incubation of eggs. Claim 1 of the patent is directed to the method, and is as follows:

> "1. The method of hatching a plurality of eggs by arranging them at different levels in a closed chamber having restricted openings of sufficient capacity for the escape of foul air without undue loss of moisture and applying a current of heated air, said current being created by means other than variations of temperature and of sufficient velocity to circulate, diffuse and main-

tain the air throughout the chamber at substantially the same temperature, whereby the air will be vitalized, the moisture conserved and the units of heat will be carried from the eggs in the more advanced stage of incubation to those in a less advanced stage for the purpose specified."

This claim covers a method of hatching eggs which comprises as one step the setting of trays of eggs in superimposed tiers, or "at different levels" in a single chamber and in various stages of incubation. This means that eggs of various degrees of embryo development are found in the same room, a result which is secured by setting trays of eggs at short intervals. The total period of incubation is twenty-one days and the patent describes setting the eggs at intervals of three days, although this exact timing is not essential. When the incubator is filled there will be from twenty-five to fifty thousand eggs therein ranging from fresh eggs in which the embryo is just beginning to develop, to eggs in which the chick is hatching or approaching the hatching period. The point in setting eggs in staged incubation is that the thermal characteristics of eggs change with the progression of incubation. Until about the eleventh day eggs require the addition of heat to promote and maintain life; after the eleventh day more heat is given off by the animal organism within the egg than is required, and the egg must be cooled. The change throughout the process is gradual and reaches a very substantial amount toward the close of the process. The earlier condition of the eggs has been referred to in this litigation as "endothermic," or heat absorbing; the later condition as "exothermic," or heat discharging.

As a second step in the process, a current of air is pro-

pelled over all of the eggs by fans so that the air is circulated at "sufficient velocity to circulate, diffuse and maintain the air throughout the chamber at substantially the same temperature" as called for by the claim. The current of air acts as the medium by which "the units of heat will be carried from the eggs in the more advanced stage of incubation to those in a less advanced stage." The result is stated by the Circuit Court of Appeals for the Ninth Circuit:

> "• • • the Smith patent which utilizes the heat generated by the eggs in the last stages of incubation to heat the eggs in the earlier stages, and conversely, the lower temperature of the latter eggs to reduce the temperature of the eggs in the later stages."

An essential is that the process be carried on in a chamber in which the air circulates in repeated cycles so that passing over and over through the chamber the requisite transfer of heat will take place without destroying the necessary humidity of the surrounding air. This is expressed in the phraseology of the claim, "in a closed chamber having restricted openings of sufficient capacity for the escape of foul air without undue loss of moisture • • • whereby • • • the moisture (is) conserved." It may be noted that a certain amount of fresh air must be admitted in order to supply the necessary oxygen to maintain life in the embryos, which breathe through the shells, but the fresh air requirement is balanced against the necessity of moisture conservation, by admitting only a small percentage of fresh air to the chamber through small openings.

The body of air propelled by the fans in the incubator chambers of both the patent and the defendant below, is moving in endless closed cycles due to the fact that only a small percentage of air (about 1%) of the total amount in

commercial machines is being interchanged during the process.

Those Courts which have properly analyzed the Smith patent and its mode of operation have found that as the body of air moves in substantially closed cycles or currents in a continuous recirculation of air in endless paths, it is immaterial how the eggs are arranged. So long as the current of air in its closed path moves over all the eggs in the chamber, the transfer of heat from hot to cold eggs, which is the essential of the Smith patent, must take place.

Those Courts which have *not* understood or appreciated the necessary effect of the closed cycle of air, as the Sixth Circuit in the Petersime case and the Eighth Circuit in the Snow case, have held that the eggs must be arranged in a definite order and maintained in that order. The fact that the Eighth Circuit made no mention of, or reference to, the recycling movement of the air in the Smith and Snow machines, clearly indicates that it was never understood by the judges of that Court.

The contrariety of opinion by the Courts may best be analyzed when the statements of the Courts are paralleled (Italics ours):

| THE SIXTH CIRCUIT IN THE PETERSIME CASE. | THE SIXTH CIRCUIT IN THE BLUM CASE. |
|---|---|
| "Looking to the language of the claims, as indeed to the device that Smith uses, it would seem that he had in mind a process by which the warm air taken into the corridor would be currently directed, *so as to strike first* | "In that opinion some acceptance was given to the theory that *there is no infringement, unless the circulating air strikes first those eggs which are in the last stages of incubation* and are generating the greatest heat. |

*the eggs in the more advanced incubation,* take to them the additionally needed oxygen, and carry the heat units therefrom to other parts of the two compartments, thus effecting, in part, at least, a uniformity of temperature throughout the egg chambers."

*In considering a construction where the main current of air is brought in from outside, and in thinking of only the first circuit which this air makes, that thought seems applicable.*

*Counsel now point out, with much force, that in a case where the air does not come in from the outside in large volume, and that in any case during the circuits after the first one, no one point in the circuit gets the air ahead of any other point, in an absolute way. Which point gets it first depends upon where we consider the circuit to begin. We think we need not consider the effect of this defect in the reasoning—if it is a defect—of our former opinion."*

THE EIGHTH CIRCUIT IN THE SNOW CASE.

"The arrangement of the air currents ("columns") is repeatedly stated to be such as to carry the heat given off from the advanced eggs to

THE THIRD CIRCUIT IN THE HILLPOT CASE.

"The part with which we are first concerned is whether, as Hillpot urges, the claims must be held limited to a method which calls not

those less advanced. When this is considered in connection with the above arrangement of eggs at various stages of incubation, *it is difficult to see how the desired results can be secured except by a current of air passing first through the trays containing the most advanced eggs.* That is the way appellee has devised his apparatus; it is the only way revealed by the patent or in practice; and it is successful."

only for a current of heated air driven in a defined direction through a column of eggs but also *for a current which will first come in contact with warm eggs—those 'in the more advanced stage of incubation'—and then picking up additional thermal units pass on and carry them to the cool eggs—those 'in a less advanced stage.'* Undoubtedly that is the preferred method described and, certainly, that is the working of the apparatus of claim 4, not of the apparatus of claim 5. *But it is not the working of the methods defined by claims 1 and 2 for they are not so limited in terms."*

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"But when, as in Smith, the air moves in cycles through corridor and tiers it makes no difference after the first cycle which way it moves through the egg trays, whether from bottom to top or from top to bottom, or whether it

first strikes warm eggs or first strikes cool eggs, for in every cycle after the first the current when passing warm eggs will gather up their heat units and carry them to the cool eggs precisely as claimed and will in the same way produce that uniformity of temperature which is the thing sought by the art and achieved by the invention."

THE NINTH CIRCUIT IN THE WAXHAM CASE.

"The appellant seeks to avoid the claim of infringement by reason of the fact that the eggs in his machine are not placed in a single column with the fresh eggs at the top and eggs which are hatching at the bottom, but are distributed through the chamber without any endeavor to place them in this exact relationship.

This difference is clearly immaterial where the air in a chamber is kept at

> a constant and uniform temperature and rapidly circulated. The result of currents of air moving with high velocity would be to transfer heat from the older eggs to the fresher and colder eggs in either event. The important thing is the high velocity of the air current, avoiding stagnation in the immediate vicinity of the eggs in later stages of incubation."

The Eighth Circuit recognized that claim 1 was of sufficient breadth to cover the Snow device when it said:

> "In its expression, claim 1 is broad enough to cover any circulation of heated air (ventilated and moistened) in a closed chamber (incubator) having a plurality of eggs 'arranged at different levels' which circulation will maintain the temperature, preserve vitality of the air, conserve moisture and carry the heat from the advanced eggs to those less advanced. It is with that claim only we are concerned for *if it is to be given the full scope of its expression it covers the accused device.* Appellee contends for a broad scope while appellants urge a very narrow scope," (Italics ours.)

but due to its failure to appreciate the obvious correctness of the holdings of the Blum, Hillpot and Waxham cases, held the Smith patent limited to the exact series of steps described in the specification.

Obviously claim 1 of the patent was intentionally drafted of sufficient scope to cover just what the Third and Ninth Circuits held that it did cover, and which the Sixth Circuit admitted was the fact.

In the instant case the District Court held (R. 22):

> "15. Claims 1 and 2 of the patent are not limited in their terms or by the proceedings in the Patent Office to the setting of the eggs which are in various stages of incubation in any order or sequence, nor to the shifting of eggs during the process, but on the contrary are of sufficient breadth to cover any arrangement of eggs in various stages of incubation."

The necessary conclusion from this premise—that the Snow incubator infringed—was reversed by the Court of Appeals in which reversal petitioner represents and maintains that the Court was in error.

## II. REASONS RELIED ON FOR ALLOWANCE OF WRIT.

Your petitioner respectfully represents that:

A. The Circuit Court of Appeals for the Eighth Circuit has herein rendered a decision in conflict with the decisions of the Circuit Courts of Appeals for the Ninth, Third and Sixth Circuits upon the scope of claim 1 of this Smith patent.

B. The Circuit Court of Appeals for the Eighth Circuit in its opinion, restricted claim 1 of the patent beyond its clear and obvious meaning and intent by holding that the patent was limited to a definite order or arrangement of eggs.

C. The Circuit Court of Appeals for the Eighth Circuit

decided an important question of patent law in conflict with the weight of authority in holding that the patent was of no broader scope than the specific description of the specification, and, while stating that the claim was of sufficient breadth to cover the defendants' operation, refused to apply the rule of law set forth in the *Paper Bag Patent Case,* 210 U. S. 405-418-419:

> "An inventor must describe what he conceives to be the best mode, but he is not confined to that. If this were not so most patents would be of little worth. 'The principle of the invention is a unit, and invariable; the modes of its embodiment in a concrete invention may be numerous and in appearance very different from each other.' 2 *Robinson, Patents,* § 485. The invention, of course, must be described and the mode of putting it to practical use, but the claims measure the invention."

D. The Circuit Court of Appeals for the Eighth Circuit decided an important question of patent law in conflict with the weight of authority in failing to give claim 1 of the patent its normal and obvious meaning, and in failing to give to the patent the scope to which it is entitled in view of the real merit of the invention. In so doing it failed to apply the rule set forth in *Eibel vs. Minnesota,* 261 U. S. 45-63:

> "In administering the patent law the court first looks into the art to find what the real merit of the alleged discovery or invention is, and whether it has advanced the art substantially. If it has done so, then the court is liberal in its construction of the patent, to secure to the inventor the reward he deserves. If what he has done works only a slight step forward, and that which he says is a discovery is on the border line between mere mechanical change and real invention, then his patent,

if sustained, will be given a narrow escape, and infringement will be found only in approximate copies of the new device."

E. The Circuit Court of Appeals for the Eighth Circuit decided an important question of patent law in conflict with the weight of authority in sanctioning and permitting an obvious evasion of the Smith patent. Simply to alter or vary the order of egg arrangement does not destroy the useful purpose and objects secured by Smith. In so doing that Court did not follow the rule expressed in *McClain vs. Ortmayer,* 141 U. S. 419, 425:

> "It is true that, in a case of doubt, where the claim is fairly susceptible of two constructions, that one will be adopted which will preserve to the patentee his actual invention."

F. The Circuit Court of Appeals for the Eighth Circuit decided an important question of patent law in conflict with the weight of authority in holding that the defendant herein, having secured the results of the Smith invention by a mode of operations similar to that set forth in claim 1 of the patent, did not infringe, and in not construing the claim in accordance with its conceded scope, thereby failing to conform to the rule set forth in *Winans vs. Denmead,* 15 How. 330-341:

> "There being evidence in the case tending to show that other forms do in fact embody the plaintiff's mode of operation, and, by means of it, produce the same new and useful result, the question is, whether the patentee has limited his claim to one out of the several forms which thus embody his invention.
>
> Now, while it is undoubtedly true that the patentee may so restrict his claim as to cover less than what he

invented, or may limit it to one particular form of machine, excluding all other forms, though they also embody his invention, yet such an interpretation should not be put upon his claim if it can fairly be construed otherwise."

WHEREFORE, your petitioner respectfully prays that a writ of certiorari be issued out of and under the seal of this Court, directed to the Circuit Court of Appeals for the Eighth Circuit, commanding said Court to certify and send to this Court on a day certain to be therein designated, a full and complete transcript of the record and all proceedings of said Circuit Court of Appeals in this case, to the end that said cause may be reviewed and determined by this Court as provided by law, and that your petitioner may have such other and further relief or remedy in the premises as to this Court may seem appropriate, and that said judgment of said Circuit Court of Appeals may be reversed by this Honorable Court.

Dated June 5, 1934.

SAMUEL B. SMITH,
*Petitioner.*

By AMASA C. PAUL,
ALBERT L. ELY,
MAURICE M. MOORE,
*Attorneys.*

STATE OF MINNESOTA,

ss.

COUNTY OF HENNEPIN.

AMASA C. PAUL, being first duly sworn, says that he is one of the counsel for Samuel B. Smith, petitioner; that he assisted in the preparation of the foregoing petition, and that the allegations therein contained are true, as he verily believes.

AMASA C. PAUL.

Sworn and subscribed to before me this fifth day of June, 1934.

MAY FINNEGAN,
Notary Public,
Hennepin County, Minn.

(Notarial Seal)

My Commission Expires July 7th, 1937.

# BRIEF IN SUPPORT OF PETITION FOR WRIT OF CERTIORARI.

## I. OPINIONS BELOW.

The opinions of the District Court and of the Circuit Court of Appeals for the Eighth Circuit are found in the record (R. 20 and 984).

The opinion of the Circuit Court of Appeals for the Ninth Circuit in the unreported case of *Waxham vs. Smith* is printed as an appendix to this brief.

## II. JURISDICTION.

The grounds of jurisdiction are:

A. The date of the judgment of the Circuit Court of Appeals to be reviewed is April 12, 1934 (R. 991), and the date of the decree to be reviewed is April 14, 1934 (R. 991-2). The petition for rehearing was filed April 30, 1934, and denied May 5, 1934 (R. 1005).

B. The judgment was rendered in a suit in equity brought under the patent statutes to determine the validity and infringement of Letters-Patent No. 1,262,860.

C. The statute under which jurisdiction is invoked is United States Code Annotated, Title 28, Section 347.

D. Cases believed to sustain the jurisdiction are:

*Powers-Kennedy Contracting Corp. vs. Concrete Mixing & Conveyor Co.,* 282 U. S. 175, 177.

*Saranac Automatic Machine Corp. vs. Wirebounds Patents Co.,* 282 U. S. 704, 705.

*Smith vs. Magic City Kennel Club,* 282 U. S. 784, 785.

## III. CONCISE STATEMENT OF THE CASE.

The facts are sufficiently stated in the petition.

## IV. SPECIFICATION OF ASSIGNED ERRORS INTENDED TO BE URGED.

The errors intended to be urged are:

A. The Circuit Court of Appeals erred in reversing the District Court and holding that the Snow incubator did not infringe claim 1 of the Smith patent-in-suit.

B. That the Circuit Court of Appeals for the Eighth Circuit erred in restricting claim 1 of the patent to a definite order or arrangement of eggs.

C. That the Circuit Court of Appeals for the Eighth Circuit erred in not holding the Smith patent valid and infringed.

D. That the Circuit Court of Appeals for the Eighth Circuit erred in ordering dismissal of the complaint.

E. That the Circuit Court of Appeals for the Eighth Circuit erred in not affirming the decree of the District Court; and

F. That the Circuit Court of Appeals for the Eighth Circuit erred in not granting the relief prayed in the bill of complaint.

## V. ARGUMENT.

POINT A.

The erroneous decision and decree of the Circuit Court of Appeals for the Eighth Circuit is in irreconcilable conflict with those of the Circuit Court of Appeals for the Ninth Circuit in the Waxham case.

The decision of the Eighth Circuit states that claim 1 of the Smith patent does cover the accused device if given the full scope of its expression. But, that Court stated that it was difficult to see how the desired results of the method of claim 1 could be secured except by a current of air passing first through the trays containing the most advanced eggs. Therefore, it decreed non-infringement because the current of air in the accused device did not, in its first traverse of the cycle, pass over the most advanced eggs.

The decision and decree of the Circuit Court of Appeals for the Ninth Circuit in the Waxham case found infringement. That Court pointed out that infringement of claim 1 was not avoided by the distribution of the eggs through the chamber without endeavor to place them in a stage-relationship. That Court held that such staged relationship was clearly immaterial where the air in the chamber is kept at a constant and uniform temperature and rapidly circulated. That Court pointed out that the result of currents of air moving with high velocity would be to transfer heat from the older eggs to the fresher and colder eggs in either event.

In other words, the Eighth Circuit decision holds that the eggs must be arranged and maintained in a definite order to infringe claim 1 of the Smith patent, while the decision of the Ninth Circuit flatly holds that such arrangement is clearly immaterial. Because of those two different conclu-

sions, the Eighth Circuit decreed non-infringement and the Ninth Circuit decreed infringement.

These decisions are irreconcilable and conflicting.

POINT B.

The erroneous decision of the Circuit Court of Appeals for the Eighth Circuit is also in irreconcilable conflict with those of the Circuit Courts of Appeals for the Third and Sixth Circuits upon the question of the scope of claim 1.

The Eighth Circuit recognizes that claim 1 if given the full scope of its expression covers the accused device but, in construing the claim arbitrarily limits it to a definite and specific staged relationship of the eggs and, therefore, holds non-infringement. The Circuit Court of Appeals for the Third Circuit in its decision in the Hillpot case points out that the defendant Hillpot urged that the Smith claims must be limited to a current which will first come in contact with the warm eggs (in the more advanced stage of incubation) thereby picking up additional thermal units and pass on and carry them to the cool eggs in a less advanced stage. That Court of Appeals found such was the preferred method described but that such was not the working of the method defined by claim 1 because not so limited in terms. That Court also pointed out that it made no difference, after the first cycle, which way the air moves, whether first striking warm eggs or cool eggs because in every subsequent cycle the air current gathers up heat units from warm eggs and carries them to cool eggs

> "precisely as claimed and will in the same way produce that uniformity of temperature which is the thing sought by the art and achieved by the invention."

In other words, the Circuit Court of Appeals for the Third

Circuit squarely held that claim 1 of the Smith patent was not specifically limited to a particular arrangement of the eggs and, therefore, the contrary decision of the Circuit Court of Appeals for the Eighth Circuit is in direct conflict therewith.

The Circuit Court of Appeals for the Sixth Circuit in the earlier Petersime case handed down a decision which conformed to that of the Circuit Court of Appeals for the Eighth Circuit but the Circuit Court of Appeals for the Sixth Circuit in the subsequent Blum case receded from its earlier view and expressed a view conforming to that of the Ninth Circuit upon this point. Hence, the later decision in the Blum case by the Sixth Circuit is at variance with the decision of the Circuit Court of Appeals for the Eighth Circuit in the case at bar upon this very point.

POINT C.

The Circuit Court of Appeals for the Eighth Circuit erred because it misconceived the effect of the recycling air in the Smith patented process or method.

If the main body of air, as in Smith, is recycling over and over again through the eggs in various stages of incubation, the purpose set forth in the closing lines of claim 1—

> "whereby the units of heat will be carried from the eggs in the more advanced stage of incubation to those in a less advanced stage—"

will be carried out whatever be the order of egg arrangement.

The error into which the Eighth Circuit fell is explainable only upon a misconception of the recycling movement of the air in Smith or upon a failure to understand the true operation of the process. When one understands the circuit of

air and the logical and inevitable effect of the recycling movement of the main body of air, it immediately becomes apparent that a specific or definite order of egg arrangement is not essential. If the stream of air is moving in a circle, as it is in Smith, then during such circular movement it will pass over hot and cold eggs. The hot eggs will give up their heat to the cold eggs and the cold eggs will absorb the heat from the current of air no matter in what order they are placed. Just as long as the stream of air moves in that cycle the heat of the hot eggs will be conveyed to the cold eggs. The position of the fan in the cycle is wholly immaterial. The fan is the mere instrumentality by which the cycle of air is maintained in motion.

It is difficult to see how so obvious a fact would have escaped the Eighth Circuit; nevertheless, we find that Court basing its opinion upon a total lack of understanding of so simple a fact. That Court says

> "it is difficult to see how the desired results can be secured except by a current of air passing first through the trays containing the most advanced eggs."

Several identical answers are found in the discussions by the other Circuit Courts of Appeals, relative to the cycle-movement of air appearing in the Hillpot case (C. C. A. 3), the Blum case( C. C. A. 6) and the Waxham case (C. C. A. 9). A further answer is found in the fact that Snow and Waxham both obtained the equalization of temperature without the precise order of egg arrangement of the Smith patent, and without the progressive movement of Smith.

If, as held by the decisions of the various Circuit Courts of Appeals, other than that for the Eighth Circuit, the results will be secured by eggs in any arrangement, it follows as a necessary corollary of that fact that it is not essential

that a definite order be set up or maintained. It is not necessary, therefore, that the eggs be shifted as incubation progresses. Smith's claim 1 does not call for any definite order of egg arrangement or for progressively moving the eggs during the process. The Circuit Court of Appeals for the Eighth Circuit felt compelled arbitrarily to read these limitations into claim 1—only because of its failure to grasp the fact that in Smith the air moves in a closed cycle.

POINT D.

The Circuit Court of Appeals for the Eighth Circuit clearly erred, through misunderstanding, by failing to give the Smith patent claim 1 the scope to which it is entitled in view of the real merit of the invention.

That Court failed to apply the rule set forth in *Eibel Process Co. vs. Minnesota & O. Paper Co.*, 261 U. S. 45-63. Likewise, it did not follow the rule expressed by this Court in *McClain vs. Ortmayer*, 141 U. S. 419-425, or in *Winans vs. Denmead*, 15 How. 338-341.

## VI. CONCLUSION.

It is, therefore, respectfully submitted that a writ of certiorari should be issued as prayed for.

Respectfully submitted,

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CIRCUIT COURT OF APPEALS

NINTH CIRCUIT

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April 9, 1934

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No. 7154

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HERBERT H. WAXHAM, DOING BUSINESS AS WAXHAM HATCHERIES,
*Appellant and Cross-Appellee,*

*vs.*

SAMUEL B. SMITH AND THE BUCKEYE INCUBATOR COMPANY,
*Appellees and Cross-Appellants.*

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UPON APPEAL FROM THE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF CALIFORNIA, CENTRAL DIVISION.

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BEFORE WILBUR, SAWTELLE AND GARRECHT, *Circuit Judges.*

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WILBUR, *Circuit Judge.*

This suit was brought by Samuel B. Smith, patentee, and The Buckeye Incubator Company, a licensee, under patent No. 1,262,860, issued April 16, 1918, for an incubator, against Herbert H. Waxham for the infringement of said patent by the use of an incubator known as Robbins No. 23 incubator purporting to be manufactured under and pursuant to patent No. 1,728,980, issued September 24, 1929 to

J. L. Robbins. The matter was referred to a special master who reported that the Smith patent was valid and was infringed. This decision was affirmed by the District Court and defendant appeals from the decree. Samuel B. Smith and The Buckeye Incubator Company also appeal from that portion of the decree which held that the defendant did not infringe claim No. 2 of the patent. The Smith patent has been so frequently before the courts and so often described in the numerous opinions filed that we will curtail our description so far as possible.

The claim of the appellees is that the Smith patent and method have completely revolutionized the art of hatching eggs in incubators. In support of that contention they point out that since the patent was issued more than $20,000,000 worth of incubators manufactured thereunder have been sold with a total capacity of over 159,000,000 eggs.

The art of hatching eggs by incubators is old. The claim advanced is that under all the old methods a relatively small number of eggs could be placed in the incubator at one time; that by the method described in the Smith patent it is possible to increase the number of eggs in the incubator at one time, almost indefinitely, incubators manufactured under the patent having a capacity of from 25,000 to 50,000 eggs being in common use. The claims of the invention which are involved in this action are Nos. 1 and 2, as follows:

> "1. The method of hatching a plurality of eggs by arranging them at different levels in a closed chamber having restricted openings of sufficient capacity for the escape of foul air without undue loss of moisture and applying a current of heated air, said current being created by means other than variations of temperature and of sufficient velocity to circulate, diffuse and maintain the air throughout the chamber at substantially

the same temperature, whereby the air will be vitalized, the moisture conserved and the units of heat will be carried from the eggs in the more advanced stage of incubation to those in a less advanced stage for the purpose specified.

2. The method of hatching a plurality of eggs by arranging them at different levels in a closed chamber having restricted openings of sufficient capacity for the escape of foul air without undue loss of moisture and applying a power driven current of heated air in an adjacent chamber through openings into the egg chamber, said current being of sufficient velocity to circulate, diffuse and maintain the air throughout the egg chamber at substantially the same temperature, whereby the air will be vitalized, the moisture conserved and the units of heat will be carried from the eggs in the more advanced stage of incubation to those in a less advanced stage for the purpose specified."

In the incubation of eggs they begin to give off heat and to absorb oxygen and give off carbon dioxide about the fifth day. Up to that time it is necessary to supply artificial heat to start the process of incubation. Thereafter it is essential to supply the necessary oxygen and remove the carbon dioxide, and also to remove the heat developed by the egg itself. The removal of heat from the eggs was ordinarily accomplished by reducing the temperature in the incubator so that a circulation of air was produced by the heated air arising from the egg being replaced by the colder air enclosed in the incubator, that is, by convection. The Smith method of incubation instead of relying upon the gentle currents of air thus produced contemplates a large volume of air in an enclosed chamber kept at a uniform temperature of from 100

to 105° circulated by means of fans with such great velocity that it prevents the building up of small quantities of superheated air in immediate contact with the eggs generating heat during the last stages of incubation. The same movement of air which removes the excess heat from the egg also removes the carbon dioxide in immediate contact with the shell of the egg and replaces it with air in the average condition of heat, moisture and purity in the incubator. The temperature of the air in the incubator is regulated by thermostatic control, additional heat being necessary to that supplied by the eggs in the latter stages of incubation. To get rid of the excess carbon dioxide given off by the hatching chicks, a small vent from the large incubator chamber is provided and from the vent a small amount of air is constantly escaping, being replaced by fresh air drawn in by the ventilating fan and forced into the incubating chamber to mix with the large volume of air which is being constantly circulated by the fan. The recirculation of the air tends to conserve the moisture in the eggs and reduce the cost and simplify the method of heating. Apparently the key to the problem of incubation in mammoth incubators by what is known as staged incubation, lay in the ability to maintain a constant temperature in the incubating compartment. To do this it is necessary that the air currents in the incubator move with comparatively high velocity. This velocity in the Smith machine is obtained by a number of comparatively small electric fans. In the operation of the Smith machine the velocity of the column of air leaving the fan is about 1,200 feet per minute. Its speed when it enters the region of the hatching trays is approximately 250 feet per minute, up through the hatching trays from 20 to 40 feet per minute, up through the tilting trays varies from 50 to 60 to as high as 150 feet per minute, and as the column of air returns to

the fan where it crosses the beams at the top is approximately 500 feet per minute. In the machines manufactured under the Smith patent the fresh eggs are placed at the top of the column and the eggs in the last stages of incubation are at the bottom, the eggs being lowered from day to day as the chicks are moved from the lower boxes.

The validity of this patent has been sustained in every decision heretofore rendered in which the patent has been involved. Three of the decisions were rendered by Circuit Courts of Appeals. *Buckeye Incubator Co. vs. Wolf,* 291 Fed. 253, affirmed in *Wolf vs. Buckeye Incubator Co.* (C. C. A. 6), 296 Fed. 680; *Buckeye Incubator Co. vs. Cooley* (C. C. A. 3), 17 F. (2d) 453; *Buckeye Incubator Co. vs. Blum,* 17 F. (2d) 456, affirmed (C. C. A. 6), 27 F. (2d) 333; *Buckeye Incubator Co. vs. Petersime* (C. C. A. 6), 19 F. (2d) 721; *Buckeye Incubator Co. vs. Hillpot,* 22 F. (2d) 855, affirmed (C. C. A. 3), 24 F. (2d) 341; *Miller Hatcheries vs. Buckeye Incubator Co.* (C. C. A. 8), 41 F. (2d) 619. Notwithstanding these decisions the appellant contends that the patent is invalid on the ground that it was anticipated in the prior art and contends that some features of the prior art were not presented, or if presented were not considered in the decisions heretofore rendered sustaining the patent. In view of the decisions above referred to interpreting the Smith patent we deem it unnecessary to further discuss either the nature or character of the invention or to describe the method of incubation covered by the Smith patent or to attempt to define the limitations placed upon the patent by these decisions which in that regard are not entirely consistent.

One of the prior uses principally relied on by appellant is the Fullington prior use which is the only one relied on which has not been before the courts in prior cases involving the validity of the Smith patent. This device consisted of a

small incubator of the still air type adopted to hold approximately one hundred eggs in a single tray and at single setting to which Fullington attached a fan operated by dry cell batteries. The temperature in the incubator was controlled by a thermostat connected to the fan and when the temperature rose above a certain point the thermostat caused the fan to start up blowing fresh cool air into the incubator from the outside and discharging an equivalent amount of hot foul air out of the incubator through vents placed in the incubator for that purpose. When the temperature was reduced to the proper degree the thermostat acted to stop the fan. In the Fullington device there was no definite continuous current of air circulating as has been held to be essential in the Smith patent, but the fan operated only intermittently when the air in the incubator became too hot. Nor was the idea of staged incubation incorporated in the Fullington use as Fullington testified that all the eggs were set at the same time on a single tray and not with spaced tiers or layers of eggs one above the other in different stages of incubation. This fan attachment was used for only three settings when its use was abandoned and the incubator was thereafter used without it. The sole purpose sought to be obtained by the Fullington device was to keep the eggs from overheating and the Fullington prior use falls far short of anticipating the Smith patent which utilizes the heat generated by the eggs in the last stages of incubation to heat the eggs in the earlier stages, and conversely, the lower temperature of the latter eggs to reduce the temperature of the eggs in the later stages. The other prior use principally relied upon by the appellant to defeat the Smith patent is that by Lawry. Lawry did provide for a large chamber of heated air in which the eggs were placed. He did provide small vents above and below this chamber through which the

air entered and escaped from the incubating chamber. The air in the Lawry process was given some momentum by an electric fan but the effect of this momentum was almost entirely dissipated by the fact that the current of air was forced through a large number of small openings and escaped through similar openings to return through narrow passages to the fan to be again circulated through the incubation chamber. The obvious purpose of Lawry in this method of incubation was to supply fresh air without agitating the contents of the incubating chamber any more than was necessary to supply the fresh air. Apparently there was no effort to remove the heat from the incubating eggs by a current of high velocity. The plan was a failure and was abandoned and need not be further considered. We conclude that the Smith patent is valid.

The next question is whether it is infringed by the incubator used by the appellant Waxham purporting to be manufactured under the Robbins patent. Claims 1 and 2 of the Robbins patent are as follows:

> "1. An incubator comprising an elongated compartment whose front side is formed by doors that may be opened and closed, an egg tray rack located within the compartment, said rack being supported by a shaft extending lengthwise of the compartment and located closer to the front than to the rear wall, the rack being provided with transversely extending slides for supporting egg trays, egg trays carried on said slides, a fan located between the rear of the egg tray rack and the rear wall of the compartment and rotatable about a horizontal axis perpendicular to the rear wall, and means for rotating the fan so as to produce an air current that travels from the fan towards the doors directly in front of the fan whereby the air will return

towards the fan along the outside of the central air current.

2. An incubator comprising an elongated compartment whose front side is provided with doors that may be opened and closed, an egg tray rack located within the compartment, said rack being provided with transversely extending slides for supporting egg trays, egg trays carried on the slides, a fan located between the egg tray rack and the rear wall of the compartment and rotatable about a horizontal axis substantially perpendicular to the rear wall whereby when the fan is rotated it will produce an air current that travels through the egg tray rack between the super-positioned egg trays, and means for turning the eggs."

This patent contemplated the rotation of a large fan in the incubating chamber, thus generating air currents. The patent states that the currents travel directly forward from the fan toward the door and return along the walls of the chamber "along the outside of the central air current," that is to say, the patent contemplates currents of air generated by the fan moving from the fan through the eggs in the chamber and returning to the fan. This is exactly what is done by the method outlined in the Smith patent. The differences, however, are two: In the Smith patent the air moves in vertical columns passing downward from the fan and returning upward thereto. The two columns, that is, the down column and the up column, are separated by a curtain. The upward current is caused by the downward current striking the bottom of the incubator and mushrooming under the curtain and drawn upward by the suction of the fan and by the pressure of the downward column of air. According to the Robbins patent the same thing is accom-

plished without the curtain and the current revolves in a horizontal instead of a vertical plane. Obviously these differences are of no significance. They are mere substitutes for the plan in the Smith patent. If an improvement results from the elimination of the curtain it is nevertheless an infringement of the Smith patent. The machine operated by the appellant Waxham, however, does not operate in accordance with the claims of the Robbins patent. In fact, according to the findings of the master, the air currents move in exactly the opposite direction from that described in the patent; that is to say, the air is forced from the periphery of the large fan operating in the enclosed space to the walls of the incubating chamber and follows the side walls to the front doors where, striking those doors, it is deflected inward and then drawn to the center of the fans by the suction resulting from the outward movement of the air along the blades of the fan to their periphery. In actual operation the fan is large and moves with high velocity so that the current of air leaving the periphery of the fan and going outwardly along the walls of the chamber is moving about 900 feet per minute, its speed when it strikes the front wall of the chamber and turns inwardly is about 250 feet per minute, and as it passes through and around the trays on returning to the fan its speed varies from 40 to 350 feet per minute, increasing as it nears the vortex of the fan to as high as 600 feet per minute. There is a definite and continuous current of air utilized in the Waxham device moving at a velocity not materially different from the speed of the air current in the Smith patent and accomplishing substantially the same purpose.

The appellant seeks to avoid the claim of infringement by reason of the fact that the eggs in his machine are not placed in a single column with the fresh eggs at the top and eggs which are hatching at the bottom, but are distributed

through the chamber without any endeavor to place them in this exact relationship. This difference is clearly immaterial where the air in a chamber is kept at a constant and uniform temperature and rapidly circulated. The result of currents of air moving with high velocity would be to transfer heat from the older eggs to the fresher and colder eggs in either event. The important thing is the high velocity of the air current, avoiding stagnation in the immediate vicinity of the eggs in later stages of incubation.

The appellant relies upon the decision of the Circuit Court of Appeals in the Petersime case where it was held that a device which merely agitated the air in the incubating chamber did not infringe the Smith patent. We are not concerned with such a device in this case. We have indicated in another case recently filed that the findings of the master on the question of infringement, approved by the trial court, should be given great weight. *Stoody Co. vs. Mills Alloys,* 67 F. (2d) 807. In this case we are satisfied that the decision of the master is correct for the reasons we have stated, and for others which are more elaborately stated by the master and which we need not repeat.

With reference to the cross appeal of the plaintiffs we do not see how it can be seriously contended that the second claim of the patent is infringed and there is no argument thereon in the briefs. Claim 2 of the Smith patent contemplates a power driven current of heated air originating in an adjacent chamber and passing through openings into the egg chamber and in the Waxham device there is no adjacent chamber and the air currents are entirely within the enclosed chamber.

Decree affirmed.

(Endorsed): Opinion. Filed Apr. 9, 1934. Paul P. O'Brien, Clerk.